

**STATE RISK MANAGEMENT WORKERS COMPENSATION FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2004**

	August-04				July-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Month	FYTD	FY04	Ended	Ended
		Policy		Net ROR		Policy		Net ROR	Net	Net	6/30/2004	6/30/2004
											Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
Los Angeles Capital	76,373	2.9%	3.0%	-0.39%	76,708	2.9%	3.0%	-5.03%	-5.40%	N/A	N/A	N/A
Total Structured Growth	76,373	2.9%	3.0%	-0.39%	76,708	2.9%	3.0%	-5.03%	-5.40%	N/A	N/A	N/A
<i>Russell 1000 Growth</i>				-0.49%				-5.65%	-6.12%	N/A	N/A	N/A
<i>Structured Value</i>												
LSV	81,923	3.1%	3.0%	1.42%	80,755	3.1%	3.0%	-1.21%	0.20%	N/A	N/A	N/A
<i>Russell 1000 Value</i>				1.42%				-1.41%	-0.01%	N/A	N/A	N/A
<i>Russell 1000 Enhanced Index</i>												
LA Capital	162,083	6.1%	6.0%	0.22%	161,804	6.1%	6.0%	-3.56%	-3.35%	N/A	N/A	N/A
<i>Russell 1000</i>				0.49%				-3.51%	-3.04%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>												
Westridge	158,457	6.0%	6.0%	0.44%	157,859	6.0%	6.0%	-3.30%	-2.88%	N/A	N/A	N/A
<i>S&P 500</i>				0.40%				-3.31%	-2.92%	N/A	N/A	N/A
<i>Index</i>												
State Street	47,714			0.41%	47,529			-3.32%	-2.93%	N/A	N/A	N/A
Total Index	47,714	1.8%	2.0%	0.41%	47,529	1.8%	2.0%	-3.32%	-2.93%	N/A	N/A	N/A
<i>S&P 500</i>				0.40%				-3.31%	-2.92%	N/A	N/A	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	526,549	19.8%	20.0%	0.40%	524,654	19.9%	20.0%	-3.33%	-2.94%	N/A	N/A	N/A
<i>S&P 500</i>				0.40%				-3.31%	-2.92%	N/A	N/A	N/A
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	252,189	9.5%	10.0%	-1.22%	255,493	9.7%	10.0%	-7.28%	-8.41%	N/A	N/A	N/A
<i>Russell 2000 + 200bp</i>				-0.35%				-6.57%	-6.89%	N/A	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	252,189	9.5%	10.0%	-1.22%	255,493	9.7%	10.0%	-7.28%	-8.41%	N/A	N/A	N/A
<i>Russell 2000</i>				-0.51%				-6.73%	-7.21%	N/A	N/A	N/A
CONVERTIBLES												
TCW	388,254	14.6%	15.0%	-0.55%	390,761	14.8%	15.0%	-5.05%	-5.57%	N/A	N/A	N/A
<i>First Boston Convertible Index</i>				-0.30%				-2.49%	-2.78%	N/A	N/A	N/A
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	496,379	18.7%	17.3%	2.06%	486,692	18.5%	17.3%	1.24%	3.33%	N/A	N/A	N/A
<i>Lehman Aggregate</i>				1.91%				0.99%	2.92%	N/A	N/A	N/A
<i>Index</i>												
Bank of ND	638,392	24.0%	26.0%	1.66%	628,242	23.8%	26.0%	0.77%	2.43%	N/A	N/A	N/A
<i>Lehman Intermediate Gov/Credit (1)</i>				1.67%				0.84%	2.53%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>												
Strong	277,014	10.4%	8.7%	2.39%	270,460	10.3%	8.7%	1.37%	3.79%	N/A	N/A	N/A
<i>Lehman US Credit BAA</i>				2.55%				1.40%	3.99%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	1,411,785	53.1%	52.0%	1.94%	1,385,394	52.6%	52.0%	1.05%	3.01%	N/A	N/A	N/A
<i>Lehman Gov/Credit</i>				2.12%				1.06%	3.19%	N/A	N/A	N/A
CASH EQUIVALENTS												
Bank of ND	79,315	3.0%	3.0%	0.14%	79,351	3.0%	3.0%	0.13%	0.27%	N/A	N/A	N/A
<i>90 Day T-Bill</i>				0.12%				0.12%	0.24%	N/A	N/A	N/A
TOTAL RISK MANAGEMENT FUND	2,658,093	100.0%	100.0%	0.90%	2,635,654	100.0%	100.0%	-1.66%	-0.77%	N/A	N/A	N/A
<i>POLICY TARGET BENCHMARK</i>				1.09%				-1.16%	-0.08%	N/A	N/A	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.